



ALASKA PERMANENT
FUND CORPORATION

ALASKA PERMANENT FUND FUND FINANCIAL HISTORY & PROJECTIONS as of December 31, 2018

Projections extend ten years, and are based on best available information (\$ in millions)

Nonspendable Fund Balance - Principal								Assigned Fund Balance - Earnings Reserve								TOTAL FUND
FY	FY-Begin Contrib.	Dedicated ⁽¹⁾	Inflation	FY-End Balance	Unrealized Gain (Loss) FY-End Balance	FY-End Non-spendable Balance	Acct. Net Income ⁽²⁾	Distributions			FY-End Balance	Unrealized Gain (Loss) FY-End Balance	FY-End Assigned Balance	FY	FY-End Balance	
	Balance	Revenues	Proofing	Contributions			Div/POMV Transfer ⁽⁹⁾	Inflation Proofing	ACIF	Realized						
09	29,149	651	1,144	30,945	(1,449)	29,496	(6,394)	875	1,144	0 ⁽⁵⁾	441	(21)	420	09	29,917	
10	30,944	679	0 ⁽⁶⁾	31,624	421	32,045	3,517	858	0 ⁽⁶⁾	0 ⁽⁵⁾	1,194	16	1,210	10	33,255	
11	31,624	887	533	33,044	4,788	37,832	6,812	801	533	13 ⁽⁵⁾	2,016	292	2,308	11	40,140	
12	33,044	915	1,073	35,033	3,220	38,253	(100)	605	1,073	17	1,905	175	2,081	12	40,333	
13	35,033	840	743	36,615	4,184	40,800	4,314	604	743	30	3,487	567	4,054	13	44,853	
14	36,615	779	546	37,941	7,062	45,002	6,848	1,235	546	32	5,237	975	6,211	14	51,214	
15	37,941	600	624	39,165	6,473	45,638	2,384	1,373	624	24	6,147	1,016	7,162	15	52,800	
16	39,165	284	0	39,449	4,750	44,199	398	696 ⁽⁷⁾	0 ⁽⁸⁾	18	7,649	921	8,570	16	52,769	
17	39,449	365	0	39,814	7,155	46,969	6,676	0	0 ⁽⁸⁾	25	10,863	1,952	12,816	17	59,785	
18	39,814	353	0	40,167	5,863	46,030	5,526	726	0 ⁽⁸⁾	43	16,461	2,403	18,864	18	64,894	
Lo	19	40,167	368	912	41,447	1,256	(3,522)	2,723	912	21	15,813	479	16,292	19	58,995	
Mid	19	40,167	368	912	41,447	5,688	3,614	2,723	912	27	16,699	2,292	18,991	19	66,125	
Hi	19	40,167	368	912	41,447	8,577	8,743	2,723	912	33	17,585	3,639	21,225	19	71,249	
20	41,447	397	941	42,785	5,803	48,587	4,066	2,933	941	27	16,766	2,274	19,040	20	67,627	
21	42,785	388	971	44,145	5,929	50,073	4,154	3,090	971	27	16,732	2,247	18,979	21	69,053	
22	44,145	379	1,002	45,525	6,051	51,576	4,241	3,091	1,002	27	16,752	2,227	18,979	22	70,555	
23	45,525	387	1,033	46,945	6,185	53,131	4,329	3,254	1,033	27	16,664	2,196	18,859	23	71,990	
24	46,945	405	1,065	48,416	6,328	54,744	4,414	3,361	1,065	27	16,519	2,159	18,678	24	73,421	
25	48,416	440	1,099	49,955	6,475	56,430	4,501	3,432	1,099	27	16,353	2,120	18,473	25	74,903	
26	49,955	492	1,135	51,582	6,628	58,210	4,592	3,505	1,135	27	16,167	2,077	18,244	26	76,454	
27	51,582	536	1,173	53,291	6,785	60,076	4,686	3,578	1,173	27	15,963	2,032	17,995	27	78,071	
28	53,291	585	1,212	55,088	6,947	62,035	4,785	3,652	1,212	27	15,741	1,985	17,726	28	79,761	
Cumulative Totals																
Proj. for FY19-FY28								43,382	32,619	10,544	272					

Assumptions:				Total Return - Inflation = Total Real Return				Statutory Return			
Lo	FY19			-5.25%	2.25%		-7.50%	Lo			5.00%
Mid	FY19	(3)		5.95%	2.25%		3.70%	Mid			6.40%
Hi	FY19			14.00%	2.25%		11.75%	Hi			7.80%
FY20-FY28 ⁽⁴⁾				6.55%	2.25%		4.30%	6.40%			

Notes related to financial history and projections:

- ⁽¹⁾ Dedicated State Revenues in current and future fiscal years are based on the Fall 2018 Department of Revenue forecast.
- ⁽²⁾ Accounting net income is based on United States Generally Accepted Accounting Principles (GAAP).
- ⁽³⁾ Current year returns and inflation are based on 2018 Callan capital market assumptions. Actual results will vary.
- ⁽⁴⁾ Future returns are based on 2018 Callan capital market assumptions and median expected returns (the mid case). Actual results will vary.
- ⁽⁵⁾ During FY 2009, the ACIF realized losses of \$33.3 million, which are excluded from statutory net income, and are included in the ending unreserved balance as a deficit account. During FY 2010 and FY 2011, the ACIF had realized income of \$20.8 and \$25.3 million, which is excluded from statutory net income, and served to reduce the FY 2009 deficit.
- ⁽⁶⁾ The statutory inflation calculation for FY 2010 was -.36%; therefore, there was no inflation proofing transfer during FY 2010.
- ⁽⁷⁾ The dividend transfer reported for FY16 was paid out in dividends during FY17.
- ⁽⁸⁾ There was no appropriation for inflation proofing in FY16, FY17 and FY18.
- ⁽⁹⁾ Per AS 37.13.140, beginning in FY19, transfers are based on a percent of market value (POMV) calculation and are to the General Fund. In previous years, transfers were based on an earnings calculation and were to the Dividend Fund.

Income Year-to-Date as of December 31, 2018

FY19 Statutory Net Income	
Interest, dividends, real estate & other incn	\$ 700.5
Realized gains (losses) on the sale of assets	975.7
Less operating expenses	(60.0)
Less AK Capital Inc. Fund realized earnings	(10.8)
	\$ 1,605.4

FY19 Accounting (GAAP) Net Income	
Statutory net income (loss)	\$ 1,605.4
Unrealized gains (losses) on invested assets	(3,624.4)
AK Capital Income Fund realized earnings	10.8
	\$ (2,008.2)

FY19 POMV Distribution (actual)		FY19 Statutory Dividend Transfer (actual)	
Ending Fund Value (ex Am Hess)		Statutory Net Income	
FY17	\$ 59,360.6	FY18	\$ 6,324.4
FY16	52,344.9	FY17	3,214.2
FY15	52,375.9	FY16	2,198.0
FY14	50,789.4	FY15	2,907.0
FY13	44,428.9	FY14	3,530.9
Average Value		Avail for	
	\$ 51,860.0	Dist (21%)	\$ 3,816.6
Statutory Distribution		Statutory Trnsfr Amt	\$ 1,908.3
	\$ 2,722.6		

FY20 POMV Distribution (actual)		FY20 Statutory Dividend Transfer (projected)	
Ending Fund Value (ex Am Hess)		Statutory Net Income	
FY18	\$ 64,469.7	FY19	\$ 3,873.5
FY17	59,360.6	FY18	6,324.4
FY16	52,344.9	FY17	3,214.2
FY15	52,375.9	FY16	2,198.0
FY14	50,789.4	FY15	2,907.0
Average Value		Avail for	
	\$ 55,868.1	Dist (21%)	\$ 3,888.6
Statutory Distribution		Statutory Trnsfr Amt	\$ 1,944.3
	\$ 2,933.1		